

Internal Revenue Service

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Washington, DC 20224

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Person To Contact:

, ID No.

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Date:

June 17, 2009

DO:

Dear :

Corp A =

Taxable Year =

a

Date U =

Country H =

Country I =

Date V =

Corp B =

Corp C =

Corp D =

Dear :

This is in response to your letter dated April 21, 2009, in which you request consent for Corp A to revoke, effective for Taxable Year a ended Date U, and for all subsequent taxable years, its elections for itself and various subsidiaries to use the safe harbor method described in Treas. Reg. §1.901-2A(c)(3) in determining the amount of foreign income tax paid or accrued by Corp A to Countries H and I. The due date (including extensions) for Corp A's tax return for the taxable year ended Date U is Date V, which is more than 30 days after April 21, 2009. The information submitted for consideration is substantially as set forth below.

The ruling contained in this letter is based upon information and representations you submitted and accompanied by your penalty of perjury statement. While this office has

not verified any of the material submitted in support of the request for a ruling, it is subject to verification on examination.

Corp A is an accrual basis Delaware Corporation that files its tax return on a calendar year. Corp A is the common parent of an affiliated group of corporations, including Corp B, Corp C, and Corp D, that join in the filing of a consolidated U.S. federal income tax return.

Corp A, Corp B, Corp C, and Corp D elected to apply the safe harbor method with respect to qualifying levies paid to Country H beginning in taxable years more than three taxable years prior to Taxable Year a. Also, Corp C elected to apply the safe harbor method with respect to qualifying levies paid to Country I beginning in a taxable year more than three taxable years prior to Taxable Year a. None of these safe harbor elections have been revoked pursuant to Treas. Reg. §1.901-2A(d)(4).

Treas. Reg. §1.901-2A(c)(1) permits dual capacity taxpayers in computing foreign tax credits for qualifying levies of each country to use either a “facts and circumstances” method or a “safe harbor” method to determine the amount of a levy that is not paid in exchange for a specific economic benefit.

Treas. Reg. §1.901-2A(d) describes the manner in which taxpayers may elect and revoke the safe harbor method. Treas. Reg. §1.901-2A(d)(4) provides that the safe harbor method election may not be revoked without the consent of the Commissioner. Consent is normally given, provided the conditions set forth in the regulation are satisfied. The regulation provides that an application for consent to revoke the election must be made not later than 30 days before the due date (including extensions) for the filing of the income tax return for the first taxable year for which the revocation is sought to be effective, with certain exceptions not applicable to this situation. The Commissioner may make his consent to any revocation conditioned upon adjustments being made in one or more taxable years so as to prevent the revocation from resulting in a distortion of the amount of any item relating to tax liability in any taxable year. The Commissioner will normally consent to a revocation under the circumstances described in Treas. Reg. §1.901-2A(d)(4)(i) through (vi).

Treas. Reg. §1.901-2A(d)(4)(vi) provides that the Commissioner will normally consent to a revocation of a safe harbor election if the election has been in effect with respect to at least three taxable years prior to the taxable year for which the revocation is to be effective.

Based solely on the information and representations submitted, Corp A’s application for consent to revoke the safe harbor elections of Corp A, Corp B, Corp C, and Corp D with respect to qualifying levies of Country H and Country I was made more than 30 days before Date V, the due date (including extensions) for Corp A’s U.S. consolidated federal income tax return for Taxable Year a, and the applicable safe harbor elections

have been in effect for at least three taxable years prior to Taxable Year a. Accordingly, consent is granted to Corp A to revoke the safe harbor elections of Corp A, Corp B, Corp C, and Corp D with respect to qualifying levies of Country H and Country I, effective for Taxable Year a and for all subsequent taxable years.

No opinion was requested, and no opinion is expressed, as to whether, based upon all of the relevant facts and circumstances, the amount (if any) paid pursuant to a levy or levies imposed by Country L is not an amount paid in exchange for a specific economic benefit.

Except as expressly provided herein, no opinion is expressed or implied concerning the tax consequences of any aspect of any transaction or item discussed or referenced in this letter.

This ruling is directed only to the taxpayer requesting it. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

In accordance with the Power of Attorney on file with this office, a copy of this letter is being sent to your authorized representative.

A copy of this letter must be attached to any income tax return to which it is relevant. Alternatively, taxpayers filing their returns electronically may satisfy this requirement by attaching a statement to their return that provides the date and control number of the letter ruling.

Sincerely,

Richard L. Chewning
Senior Counsel, Branch 3
(International)